

PACIFIC LABOUR MOBILITY & AUSTRALIA'S SEASONAL WORKER PROGRAM: OPPORTUNITIES, IMPEDIMENTS AND POTENTIAL



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Labour mobility has potential to enable development for communities throughout the Pacific region through worker remittances, and to meet growing demand for productive horticultural labour in Australia and New Zealand. This *In Brief* is the first of a series on Pacific labour mobility. It outlines key aspects of Australia's Seasonal Worker Program (SWP) and discusses its future potential.

In 2008, Australia announced a [seasonal labour mobility pilot scheme](#) to meet labour shortages in horticulture and contribute to the economic development of participating Pacific island countries (PICs). Labour mobility to Australia began through the Pacific Seasonal Worker Pilot Scheme (PSWPS) with Kiribati, Papua New Guinea, Tonga, and Vanuatu, and was later expanded to Nauru, Samoa, the Solomon Islands, Tuvalu, and Timor Leste. The PSWPS was made permanent and extended from 1 July 2012, with the establishment of the SWP, which gave access to Pacific seasonal workers for the horticulture sector. Trials were also established for the cotton, cane growing, aquaculture, and accommodation sectors. In October 2014, Fiji was invited by Australia to participate in the SWP; it has yet to sign a memorandum of understanding or send workers to Australia.

Tonga has dominated labour mobility since the pilot. However, (unpublished) visa statistics from the Department of Immigration and Border Protection reveal that this dominance is decreasing (81% (2012–13) to 56.8% (June to December 2014)). Vanuatu substantially increased its involvement (8.1% to 28.5%) over this period, followed by Samoa (from 1.5% in 2012–13 to 8.1% in the first half of 2014–15). Micronesian and Melanesian countries (other than Vanuatu), and Timor Leste are yet to successfully engage with the scheme, accounting for just 7.2% of total visas issued in 2013–14. However, Timor Leste's role in the SWP is growing: with 3.7% of total visas issued in 2013–14, rising to 7.5% of seasonal workers employed in Australia the first six months of 2014–15. The forthcoming Australian Labour Mobility Initiative will focus on working with these countries to improve participation.

Reflecting conservative anticipated labour demand, the SWP allows for small gradual growth

but remains well under the New Zealand Recognised Seasonal Employer (NZRSE) scheme of 9,000, even by Year 4 (2015–16) with just 4,250 visas available. Demand for workers under the SWP is dominated by the horticulture sector, accounting for 98% of visas issued so far, with most workers placed in Queensland followed by Victoria and Western Australia.

Visa statistics indicate that demand for Pacific seasonal workers is growing and likely to exceed visas available in horticulture: 57% of visas were absorbed in the first six months of 2014–15, ahead of the peak demand period. In 2013–14, 98.9% of visas available for horticulture were taken up, and 81% of all visas available (including the trial sectors) were absorbed — an increase of 6% on the previous year. In terms of the trial sectors, there has been poor uptake with just 35 of 500 places filled (2013–14) (Roddam 2014). Consequently, from 2015–16, the available 4,250 visas will not be allocated by sector, thus making more visas available to the horticulture industry.

The initial productivity outcomes of using Pacific seasonal workers for industry are a good-news story. Leith and Davidson (2013) found seasonal workers were, on average, 22% more efficient than backpackers, and returning seasonal workers are 12% more efficient again. Despite research sample limitations, this result dovetails with the New Zealand experience, where substantial increases in productivity from returning Pacific seasonal workers in horticulture and viticulture have been documented (Bedford and Bedford 2013).

Demographic projections indicate that the drivers of increased demand from Australia and New Zealand for seasonal Pacific migrant labour are only just beginning. Based on current population trends, youth and working-age populations in the PICs (especially Melanesia), will continue to grow and remain high relative to Australia and New Zealand (International Migration Institute (IMI) 2013). While population growth rates vary by region, working-age populations (15–64 years) in PICs have steadily increased since the 1970s, with projections revealing that this proportion will reach 63–65% of the regional population by 2035. In contrast, for Australia and New Zealand this figure will decline between now and 2030 to approxi-

mately 60% of the total population (IMI 2013). These figures indicate both the strong long-term need to generate employment for Pacific youth, and the clear demographic capacity of the Pacific to meet growing labour demand in Australia and New Zealand.

From the labour demand side, the SWP is in competition with other forms of international labour supply: undocumented/illegal workers and the Working Holiday Maker visa (backpackers). While the supply of second-season backpacker labour has been [widely discussed](#) as an impediment to the expansion of the SWP, preliminary fieldwork with [‘approved employers’](#) and growers identify illegal labour supply as a major blockage to increased demand under an expanded scheme.

Although estimates of the numbers of illegal workers vary, neither industry nor government are disputing its widespread and long-term existence. Underhill and Rimmer (2013) cite the number of tourist visa holders illegally employed at about 40,000. Even a decade ago, one in four growers in the Murray Valley admitted to employing ‘illegals’ working outside their visa conditions, including Pacific islanders (Mares 2005, 2006). Overstayers are concentrated in major centres where there is a culture of hiding workers, such as in Griffith, Robinvale and Bundaberg (Mares 2005, 2006). It is in some of these regions that the SWP aims to supply labour.

Ahead of the establishment of the NZRSE, both industry and government agreed to illegal labour supply compliance (Ball 2010). A similar commitment has begun in Australia (August 2013) through the [Harvest Trail Campaign](#) by the Fair Work Ombudsman. This campaign aims to help employers and employees in the horticulture industry understand their rights and obligations, and has involved raids to ensure compliance with federal workplace laws. It is too early to assess whether the Harvest Trial Campaign action will increase demand for workers under the SWP, although the NZ experience would indicate this is likely.

In conclusion, demographic trends have clear implications for the structure of labour migration flows from the Pacific to Australia. The expansion of Pacific seasonal labour mobility will be increasingly important for PICs, Australian industry, and future Australia–Pacific regional engagement. The SWP and its potential expansion offers continued improvement

in industry productivity, confidence in labour supply and long-term sustainability. For PICS it offers increased youth employment and local-level development through the capital infusion from worker remittances that accompany access to Australia’s labour market. Recent data reveals that increased industry demand for seasonal workers in horticulture now is at or exceeds the number of visas available. This, combined with the strong possibility that increased crackdowns on illegal labour might accelerate growing demand for the SWP, will require the Australian Government to quickly lift the number of visas available and allow the SWP which has been slow to grow, to flourish.

Author Notes

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